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The Hongkong Telegraph

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VOL. V NO. 289

THURSDAY, DECEMBER 14, 1950.

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DESPONDENCY RAMP IN SEOUL

Black Market Operators Play On Jittery Minds

COMMENT

Taken in conjunction with the failure of the Chinese Communists to follow up the retreating Eighth Army, General MacArthur's decision to withdraw south of the 38th Parallel gives an impression of political as well as military motives. Nothing can be taken for granted, but these are healthier signs of a disposition to seek an answer by negotiation. Preparation for a massive assault on U.N. lines have not ceased. An offensive is being mounted by the Red divisions which will test to the utmost the skill and endurance of the U.N. forces in holding their ground. On their part, the Allies are exerting themselves to construct a formidable defence system. Even so, both activities may merely be anticipatory lest attempts to achieve a settlement in the diplomatic field end in deadlock.

In his address on Tuesday at Lake Success, Sir Benegal Rau revealed that the chief Peking emissary, while holding to his version of events in Korea, was not rigidly uncompromising. General MacArthur's withdrawal south of the Parallel creates an opportunity for a cease-fire and the opening up of general discussion on the differences between Peking and the West. Rightly, Warren Austin, supporting the 13-nation plan, made it clear that the cease-fire must come as a preliminary to what would almost certainly be a slow and haggling negotiation. But if the Peking Reds are sincere in their approach, no argument need arise on that point. The lull at the front affords a perfect chance for easy conversion into a truce.

Communist China has two special desires: (1) admission to the U.N. and (2) security for the generating plants along the Yalu River. Both might be conceded in return for a full settlement. In the last resort, assuming Peking to be in earnest, there seems little to obstruct such a settlement but the influence of Moscow. Exactly how strong that is, we do not know, but it might be decisive. In that case, M. Schuman's assertion that a Big Four conference is imminent cannot too rapidly be justified.

Stream Of Refugees To The South Now Abating

Seoul, Dec. 13.

Highly-paid "rumour-mongers" spread despondency and joy alternately throughout Seoul tonight, enabling black-market operators to make huge profits.

Beef Ration Cut

HARSHER AUSTERITY IN BRITAIN

London, Dec. 13.

Britain is to face even harsher austerity at the dinner table following the Government's refusal today to pay the prices asked by Argentina for meat.

The Food Minister, Mr Maurice Webb, told Parliament that the negotiations on meat supply prices had been broken off after months of wrangling in London and Buenos Aires.

As a result Britain's weekly ration is to be cut next year by sixpence worth to a total value of one shilling. Twopence worth will have to be taken in canned corned beef. The rest, in carcase meat, is enough to buy two lamb chops or a steak.

But the bitter pill is to be sweetened with a rise in the sugar ration from eight to 10 ounces weekly and there will be an extra ounce of cheese.

Mr Webb told Parliament: "The Government have consistently refused since July to pay the higher prices which the Argentine authorities have asked for their meat, since they regard such prices as unreasonable."

A winter drop in home killings had combined with the failure of Argentine shipments, which they stopped on July 21, to make ration cut necessary, he said.

Mr Webb told Parliament that the Government had been "searching everywhere" for meat.

They were "getting all we can" from the Commonwealth.—Reuter.

BUTCHERS DISMAYED

London, Dec. 13.

The National Federation of Meat Traders said tonight that the meat ration cuts announced today would mean that Britons would have the lowest meat ration on record.

It would also "cause doubt as to whether there will be sufficient animal protein in-take to maintain the health of the public during the critical winter months".

The retail trade would be placed on an impossible economic position which was bound to cause concern to both employers and employees unless immediate and adequate relief was forthcoming, the Federation added.—Reuter.

The price of rice—the Far Eastern cost of living indicator—was halved and then sent back to twice its original level in a few hours today. Blackmarket petrol and currency rates wavered in sympathy.

Blackmarket dealers opened the day with rice selling at the equivalent of five American cents a pound. Householders bought little, preferring to wait and see if the battlefront lull of last week would last much longer.

Dealers then sent out their "tale-bearers" to spread the news (false) that the Chinese Communists had crossed the 38th Parallel and were driving on Seoul.

The price of rice was halved almost immediately as the markets were flooded with hurriedly-sold hoards of the wealthy people.

A few hours later black-market runners went out again. This time they spread the tale that the earlier news had been the result of a garbled dispatch and that the United Nations forces were, in fact, driving forward.

Towards late evening they gave this tale added impetus by "announcing" that the Chinese Communists had fled from Pyongyang, the Northern capital, which was once again occupied by United Nations forces.

This "news" drove up rice prices to 10 and 11 cents a pound. Speculators cleaned up as much in one day as they might normally make in a year's honest dealings.

REPETITIVE

This process has been repeated several times, with variations, in the past 10 uneasy days here.

The blackmarket price of the United States military script has fallen to 2,000 won to the dollar (half the official rate) then up again to 5,000 won.

At the same time, the black-market rate for the "green-back" dollar (harder in times of crisis) rose to 7,000 won to the dollar, then back again to 6,000, where it now stands.

At times when bad news makes the thought of flight paramount, the blackmarket rate of petrol—usually stolen from Army dumps and vehicles—flares up to \$1.25 cents a gallon.

The large degree of illiteracy among the Koreans and the extreme poverty, which prevents all but a few owning radios, aids the spreaders of the rumours and their agents in their work.

PIANOS FOR \$5

Jittery citizens become more and more sceptical each day. But the critical nature of the war situation enables the rumours to take effect, hence it

50 To 1 Against General War

Ottawa, Dec. 13.

The Canadian Prime Minister, Mr Louis St Laurent, said today that the world would not be plunged into a general war at this time.

He noted that Lloyds had quoted odds of 50 to one against a general war breaking out before next September and commented, "I am just as optimistic as they are."

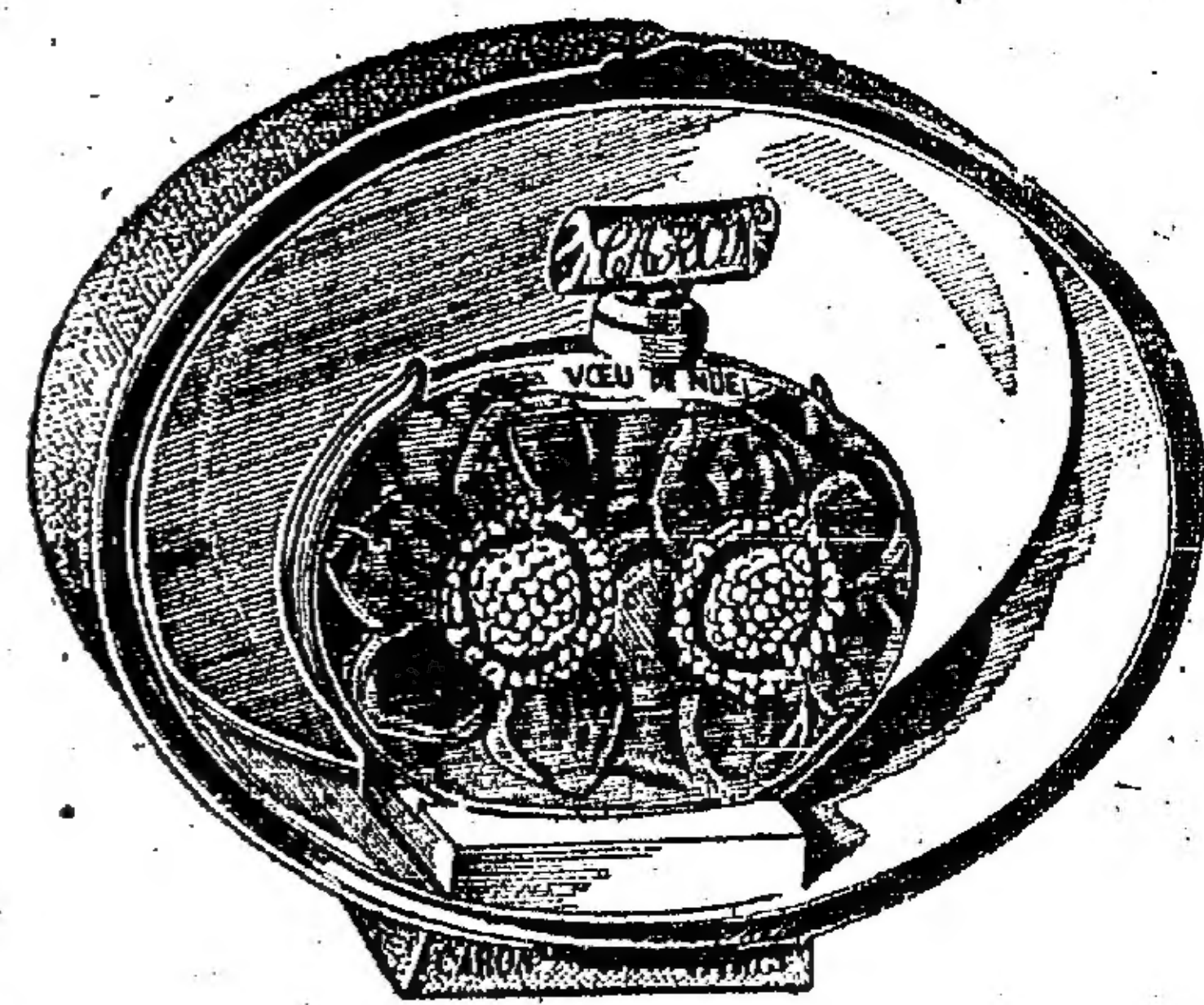
Mr St Laurent, who was addressing pressmen, conferred recently with Mr Attlee after the British Prime Minister's talks with President Truman.—Reuter.

Eisenhower Warning

New York, Dec. 13.

General Dwight Eisenhower today urged Americans to stop too quick and "uninformed criticism" of their leaders in order to achieve the unity which will "lessen the dangers" that threaten the free world.

"We in the free world are frightened because we are disunited," said General Eisenhower, who spoke extemporaneously upon receiving the 1950 citation of the Salvation Army Association for "distinguished service to humanity".—United Press.



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Martita Hunt · Raymond Lovell

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official citation
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AT 2.30, 5.30, 7.30
& 9.30 P.M.

MOTHER!
It's
Much
More
Fun
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**MOTHER
DIDN'T TELL ME**

DOROTHY MCGUIRE · WILLIAM LUNDIGAN
with JUNE HAVOC
Directed by CLAUDE BINYON · Produced by FRED KOHLMAR
Screen Play by CLAUDE BINYON · From the Book
"The Doctor Wears Three Faces" by Mary Bard

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SOUTH AFRICA" in
Gorgeous TechnicolorCommencing To-morrow
Betty Grable
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In TechnicolorA 20th Century-Fox Picture.
Bookings Now Open17 Hankow Road, Kowloon.
FINAL SHOWING
AT 2.30, 5.15, 7.20
& 9.30 P.M.

**RAGING ISLAND
RAGING PASSIONS!**

This is IT!
THE PLACE
STROMBOLI
THE STAR
BERGMAN
UNDER
THE INSPIRED DIRECTION OF
ROSSELLINI

— TO-MORROW —
Joan Fontaine Louis Jourdan
in**"Letter From An
Unknown Woman"**

A quartet of skaters who are taking part in the championships in England. The photograph was taken at Richmond and the youngster in front is 11-year-old Yvonne Sugden.

SOUTH AFRICA OVERRULED BY GENERAL ASSEMBLY: SUPERVISION BY U.N.

Flushing, Dec. 13.

The General Assembly today adopted overwhelmingly a resolution designed to establish eventual supervisory machinery by the United Nations over the Union of South Africa's administration of the territory of Southwest Africa. The vote was 45-6 with five abstentions.

Only the Soviet bloc and South Africa voted against the resolution, which was drawn up as a compromise yesterday by the delegations of Brazil, Denmark, Peru, Syria and Thailand.

Chlorine Gas Peril In California

San Francisco, Dec. 13. Inhabitants of the isolated desert town of Daggett, California, prepared to evacuate today after an explosion at a Marine Corps supply depot had caused an escape of chlorine gas. Officials said that fire followed the blast which was caused by electric sparks. Daggett's population is about 500.

The blast sent a gigantic cloud of chlorine gas into the air. The military and civil authorities feared that the fumes would be blown into Daggett which is some three and a half miles from the Marine establishment.

First reports said that there were no casualties from the blast.—Reuter.

It establishes a committee of five to negotiate with the Pretoria government on setting up supervisory machinery.

In the meantime, the committee is authorised to exercise certain supervisory functions such as examination of reports relating to the territory and issuance of recommendations on the territory's administration.

The Committee will be formed by representatives of Syria, Thailand, Denmark, the United States and Uruguay. Denmark took the place of the United Kingdom, who was proposed

originally but who declined to serve.

Mr. G. P. Jooste of South Africa pointed out that his delegation previously had said his government's decision would be largely influenced by the nature of the measure adopted.

"I have no desire to anticipate that decision, but had I been permitted to declare our vote before the vote was taken, I would have urged the General Assembly in all seriousness and sincerity to consider carefully the draft resolution placed before it."

While stressing that his government had not yet decided its attitude, Mr. Jooste said, "This compromise resolution practically closes the door to this (consultation) method of approach."—United Press.

Singapore Nearly Back To Normal

Singapore, Dec. 13.

Quiet returned to Singapore tonight after two days of rioting over the separation of the "Jungle Girl" from her Moslem husband.

A dusk-to-dawn curfew was imposed again as a precaution but the uneasy city has been nearly normal most of the day.

Hospital records tonight showed that the riots killed 15 people and injured 200. Over 100 persons were arrested yesterday and today. The rubber and share markets, which operated for a few hours today, are expected to be in full swing again tomorrow.

The waterfront, too, is expected to be fully operating.—Reuter.

MALAY BITTERNESS

London, Dec. 13. The riots in Singapore reflect the growing political bitterness of the Malay community which may soon become as serious as Communism, the Manchester Guardian said in an editorial.

The paper said: "The Government's inability to prevent riots has been matched by its incompetence in policing them. This throws a new light on the bandit troubles in Malaya. Are

the bandits wily, or the police gullible?"

The seriousness of the Singapore riots lay in what they showed about the rising passions amongst the Malays. The paper said: "They spring from the growing political bitterness of the Malay community. This may be seen to be as serious, trouble as Communism... The feeling for union with Indonesia is stronger than is usually recognised."—United Press.

SPORADIC RIOTS

Singapore, Dec. 13.

Sporadic rioting broke out again here tonight after a day of uneasy quiet. A truckload of British troops returning to Johore after riot duty in Singapore was fired on while travelling along a lonely stretch of road. There were no casualties.

Twenty Eurasians reported that 60 Malays were attacking and looting their homes.—Reuter.

Immense Ford Expansion

Dallas, Texas, Dec. 13.

Henry Ford II said today that the Ford Motor Company plans to spend \$1,000,000,000 in an expansion programme over the next three years. He made this statement without elaboration.

Ford said this programme would help debunk the "Russian claim that they invented mass production, also the automobile, aeroplane, radio and television. ... About the only thing the Russians can take credit is their use of the veto."

He later told the United Press that the expansion plan was drawn prior to the present international crisis and the programme was not based on anticipation of defence orders. "It should be stressed that the figure includes not only the construction of plants but also tooling for new models and the purchase of machine tools as well as capital expenditure."—United Press.

ATLANTIC PACT ARMY IN SIGHT

Complete Agreement On German Participation Reached

Final Decisions To Be Taken By Foreign Ministers

London, Dec. 13.

The North Atlantic Pact deputies and the Military Committee today reached complete agreement on the political and Military recommendations for German participation in the Western European integrated force, it was officially announced.

The recommendations will be submitted to the meeting of Defence and Foreign Ministers in Brussels next week, a communique said.

"The Military Committee will also forward to the Defence Committee the agreed recommendations concerning the establishment in Europe of an integrated defence force, the general provisions for the appointment of a Supreme Commander for this force, and his mission when appointed," it declared.

The shortness of today's joint meeting—only two hours—indicates that serious problems had already been solved in the separate meetings of the two bodies, diplomatic quarters considered.

The review of the plan for creating the Atlantic Pact force, and integrating into it German fighting units, which is due next week in Brussels by the Defence Ministers and Foreign Ministers of the signatory Governments, is expected to be equally formal.

GERMAN ASSENT?

The problem which the Brussels meeting face is how to obtain German agreement to serve in the Atlantic Pact Army. Here the main issue is whether, in putting the present plans to the Bonn Government, any modification suggested by German Ministers could be taken into account.

Mr Charles Spofford, the United Chairman of the Deputies, presided at today's joint meeting, which was believed to have considered problems affecting:

- 1.—The immediate appointment of General Dwight Eisenhower as the Supreme Commander of the Atlantic Pact Army.
- 2.—The practical creation of this integrated force in January next.
- 3.—The inclusion within it and the immediate recruitment of German fighting groups of reinforced brigade strength.
- 4.—German recruitment not exceeding one-fifth of the total size of the Atlantic Pact forces in Western Europe; and

FRENCH PLANS

- 5.—Authorisation for France to proceed with her plans to form a smaller integrated European Army within the Atlantic Pact Army.

According to an Atlantic Pact spokesman, the decision on the number of Germans to be recruited for the Atlantic Pact will be taken at the Brussels meeting. The countries represented at the joint meeting were Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom and the United States.—Reuter.

He Swallowed The Toss

Auch, France, Dec. 13.

A local football match was cancelled here today because the captain of one of the teams swallowed the toss-up coin.

Both captains were standing close to the referee when he threw the coin into the air and it fell into the mouth of M. Dubignac, the captain of the Pavie team.

He was rushed to a nearby hospital, where the coin was removed by an operation.—Reuter.

Sentenced To Death

Quebec, Dec. 13.

Generaux Ruest, crippled clockmaker who helped to make a time-bomb that blasted an airliner and killed all 23 persons on board, was convicted of murder today and sentenced to be hanged on March 16.

Ruest was the second man to be sentenced to death for a part in blasting a Canadian Pacific Airlines DC-3 with a home-made time-bomb on September 9, 1949.

Albert Guay, jewellery salesman who was mastermind of the plot to get rid of his unwanted wife, already has been sentenced to be hanged.—United Press.

Austro-Swiss Trade Talks

Berne, Dec. 13.

Trade talks between Austria and Switzerland began here today with the arrival here of an Austrian trade mission led by the Austrian Commerce Minister, M. Hudischek.

The talks will cover all aspects of the commercial relations between the two countries. The talks are expected to last for a few days.—Reuter.



She is 86 and from Lithuania — Mrs Luise Frizene, a displaced person, photographed on her arrival at Liverpool Street station to be re-united to her daughter. (Central Press).

INDIAN AIR DISASTER FEARED

Trivandrum, Dec. 13.

Indian Air Force and private aircraft were today scouring the 8,000-feet high Nilgiri Range for an Air India plane carrying 16 passengers, including four Britons, and a crew of four, which is overdue eight hours at Coimbatore, South India.

It was on a flight from Madras to Trivandrum, on the southwest coast of India.

The air search was hampered by dense fog over the mountain range.

The aircraft was reported to have radioed 10 minutes before it was due to land at Coimbatore, the next stopping place, at the foot of the Western Ghats Range. Its last call was at Bangalore, about 150 miles farther to the north.

The search was suspended tonight because of fog but police outposts were ordered to send out search parties.

The 16 passengers included a Swiss, Mr W. Saille. Others were British and American.—Reuter.

Lana Overdid It

Hollywood, Dec. 13.

A physician today ordered the movie star Lana Turner to go to bed for rest because she had hurt her back by carrying home too many Christmas parcels.

Dr John McDonald said the star was suffering from a strained back apparently brought on by too much Christmas shopping. — United Press.

Queen's

SHOWING TO-DAY
AT 2.30, 5.15, 7.20 &
9.30 P.M.

NOT JUST A COMEDY

—IT'S A RIOT!

M-G-M presents

JUNE ALLYSON

DICK POWELL

THE

REFORMER

AND THE

REDHEAD

— NEXT CHANGE —

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International Burlesque

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WALT DISNEY'S LATEST TECHNICOLOR CARTOON
"TENNIS RACQUET"

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SHOWING TO-DAY **MAJESTIC** AIR-CONDITIONED AT 2.30, 5.00, 7.20 & 9.30 P.M.

Man of Science ...
or Menace to Society?

Robert BEATTY
Mervyn JOHNS
Nova PILBEAM



Counterblast

Margaretta SCOTT

ADDED ATTRACTION: A REAL LIFE DRAMA!

Ginger Britton in "SOULS IN PAWN"

NEXT CHANGE: "SINGING GUNS" In Color

German Control Of Police

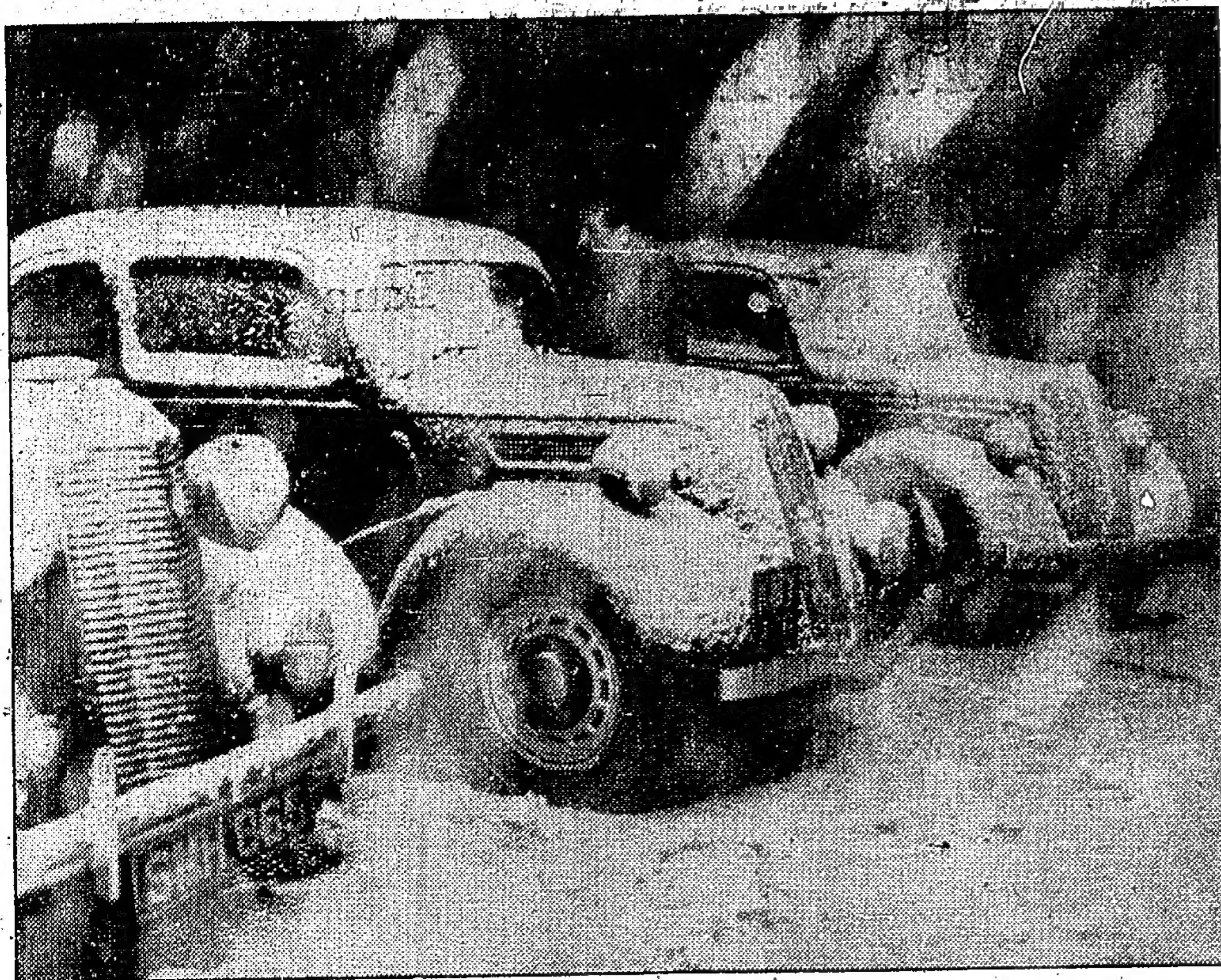
Bonn, Dec. 13.

The Allied High Commissioners have agreed to place under the control of the West German Government the 5,000 police now working on the Railways.

They have been under the occupation authorities on a zonal basis. This will enable the Bonn Government to organise the railway police on a Federal basis and decide on its strength, according to a High Commission statement today.—Reuter.

Radio Hongkong

H.K.T.
6.00, "Hong Kong Calling" Programme Summary; 6.02, Children's Story: "Let's Join In"; "The Rabbits go Hunting" by Alison Uttley (BBCS); 6.17, Light Instrumental Programme; 6.30, "Hit Parade"; 7.00, World News and News Analysis (London Relay); 7.15, Negro Spirituals; 7.30, La Demi-Heure Française (Studio); 8, "From the Editorials" (London Relay); 8.10, Local Studio Concert—Harry Talbot (Baritone) with piano accompaniment by Betty Brown; 8.25, "Variety Bandbox"—from the Camberwell Palace, London (BBCS); 8.55, Sports Time by Bill Phillips (Studio); 9.10, "Thursday Serenade"—A Programme of continued music arranged by Betty Brown; 9.30, Book Talk by Ruth Kirby (Studio); 9.45, Jay Wilbur and his String Ensemble; 10.00, Radio News Reel (London Relay); 10.15, Weather Report; 10.18, "At the Opera"—"Un Ballo in Maschera" (The Masked Ball)—Verdi Act 3; 11.05, "The Little Puzzles"—A Talk by Albert Blackwood (BBCS); 11.15, Goodnight Music; 11.20, Weather Report; God Save the King; 11.30, Close down.



Stop that Cough
with
'ZEPHROL'
cough syrup
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pleasantly flavoured,
equally acceptable
to young and old.

Bottles of 2½ fl. oz.

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MAY & BAKER LTD.
Obtainable from
all Dispensaries
and Drug Stores.

Germany's Bill For Protection

Bonn, Dec. 13.

The Allies have named 500,000,000 marks as the price West Germany will have to pay this financial year for Allied troop reinforcements, a German official said here today.

Allied reinforcements include a British armoured division and the doubling of the Belgian occupation contingent, and the United States and France are sending more troops.

An Allied spokesman said that any figure named on the German side was not final, and no charge had yet been put formally to the West German Government.—Reuter.

London's spell of cold weather came to a climax with a heavy fall of snow, swept by a bitter wind. This photo shows a motorist wiping the outside of his wind-screen during the snow storm.

Israeli Controller In London

London, Dec. 13.

Dr Siegfried Moses, State Controller of Israel, who is in London on a short visit, visited Sir Frank Tribe, the British Controller and Auditor-General, today and had what was described as a long and friendly talk with him.—Reuter.

WHITE HOUSE PARLEYS ON MOBILISATION

Washington, Dec. 13.

President Truman told Congressional leaders on Wednesday there must be a sharp build-up in the nation's mobilisation to increase the armed forces in the critical world situation.

The President also confirmed that he is considering a declaration of national emergency to assist this build-up.

Mr Truman met for two hours with Democratic and Republican Congressional leaders, Secretary of State Dean Acheson and Defence Secretary George Marshall.

After the meeting, the White House issued a statement which said: "The conferees appeared of unanimous agreement that our military strength should be built up with utmost speed."

The statement said: "There also appeared a strong sentiment in favour of declaring a national emergency, although most of those present did not wish to state any views on this question without an opportunity for further study as to its legal implications."

Senator Robert Taft, Chairman of the Senate Republican Policy Committee, acting as spokesman for the Republicans in the emergency conference, said: "We did not feel we were sufficiently versed as to the legal effects of such a declaration and the programme which must accompany it, to take a final position on that question."

MIND NOT MADE UP

Mr Taft added "If the declaration were really necessary to the development of our armed strength, we would be for it." Other participants in the conference said the President had not definitely made up his mind about the emergency declaration.

Chairman Carl Vinson, of the House Armed-Services Committee one of the conferees best informed on preparedness and planning—said Mr Truman's plans do not call for total mobilisation and are not aimed at an immediate all-out war. The contemplated programme was rather one of getting ready for any emergency.

DEFENCE FIRST

He said: "It means there will be concentration on defence. There will be allocations, price controls, labour (wage) controls and a concerted effort by the Government to get the armed services in a position to meet any emergency."

Mr Truman will broadcast to the nation on Friday and will then outline his plans, presumably including the declaration of national emergency.

Mr Vinson also said Mr Truman's contemplated defence plans will require extension of the draft term from 21 to 24 months, and possibly induction of every young man at 19. The President apparently had in mind a total military force of about 4,000,000 men by mid-1952, roughly twice the present force.—United Press.

Stassen In Singapore

Singapore, Dec. 13.

Harold Stassen, confined to the Kallang civil airport here because of rice rioting in the town, said his world tour was primarily to study economic and educational needs in the Far East.

The President of the University of Pennsylvania refused to discuss the international situation.

He lunched here with United States Consul-General William Langdon while awaiting transportation to New Delhi by way of Bangkok. He would confer with Prime Minister Jawaharlal Nehru in New Delhi and then proceed to Pakistan, Israel, South Africa, Portugal and Britain before returning to the United States.—United Press.

No More Troops For Malaya

London, Dec. 13.

Britain is not sending any more troops to Malaya at present, the Colonial Secretary, Mr James Griffiths, told the House of Commons today.

A Labour Member, Mr James Harrison, had suggested sending "all necessary military assistance available in view of the lack of substantial improvement in the campaign against the terrorists in Malaya."

He also urged taking further steps to mobilise completely the local resources to overcome the resistance of the terrorist forces.

Mr Griffiths replied: "The strength of the military forces required for the operations in Malaya is under constant consideration. It is not at present intended to send additional troops there."—Reuter.

BRITAIN'S TRADE RECORDS

London, Dec. 13.

Britain's export trade broke new records last month, reaching a provisional figure of £211,900,000, Mr Harold Wilson, President of the Board of Trade, announced today.

This was £9,700,000 over the previous highest figures in October and £35,000,000 above the average for the first 10 months of the year.

The monthly average of exports in the two months October-November was 14 per cent more than in the third quarter and 21 per cent more than in the first half of the year, Mr Wilson said.

The provisional value of British exports to the United States in November was £14,400,000—£600,000 above the October figure.

Mr Wilson said that exports to Canada last month were the highest yet.

They were £14,500,000—£2,400,000 more than in October and £4,400,000 above the average for the first 10 months of the year.

Britain's imports were also higher at \$234,500,000. With re-exports in November at £10,300,000 the excess of imports over exports and re-exports was £12,300,000, a slight increase over the October figure but well below the £29,300,000 average for the first 10 months of 1950.—Reuter.

Refugees' Trek

Seoul, Dec. 13.

The South Korean Government estimated today that half a million North Korean refugees had already crossed the 38th Parallel.—Reuter.

CHRISTMAS & NEW YEAR FESTIVITIES.

HONGKONG HOTEL

In the "GRIPPS"

XMAS EVE

December 24th

SPECIAL GALA DINNER

DANCE till 2 a.m.

BOXING DAY —

December 26th

DINNER DANCE

NEW YEAR'S EVE —

December 31st

SPECIAL GALA DINNER

DANCE till 2 a.m.

In the ROOF GARDEN,

December 25th

CHRISTMAS TIFFIN

CHRISTMAS DINNER

DANCE



PENINSULA HOTEL

XMAS EVE—December 24th

GALA DINNER DANCE

till 2 a.m.

NEW YEAR'S EVE —

December 31st

GALA DINNER DANCE

till 2 a.m.

Tickets and

Reservations at Respective

Reception Offices.

REPULSE BAY HOTEL

XMAS EVE—December 24th

SUNDAY TEA DANCE,

4-6 p.m.

GALA DINNER DANCE

till 2 a.m.

XMAS DAY —

December 25th

SPECIAL TEA DANCE,

4-6 p.m.

NEW YEAR'S EVE —

December 31st

SUNDAY TEA DANCE,

4-6 p.m.

GALA DINNER DANCE

till 2 a.m.

NEW YEAR'S DAY —

January 1st, 1951

SPECIAL TEA DANCE,

4-6 p.m.

"LIDO" Repulse Bay

NEW YEAR'S EVE —

December 31st

SPECIAL DINNER DANCE

till 2 a.m.

The Hongkong & Shanghai Hotels, Limited.

CEASE-FIRE MOTION PASSED

Soviet Objection Overruled By Political Committee

Lake Success, Dec. 13.

The United Nations Main Political Committee tonight overrode the Soviet objections by a 51-5 vote and recommended that the General Assembly approve the Arab-Asian mechanism for a cease-fire in Korea.

The United States, Britain and France called for the General Assembly President, Nasrollah Entezam, and others to "determine a basis on which a satisfactory cease-fire in Korea can be arranged."

The vote was 51 in favour, the five-nation Soviet bloc against and China abstaining. This was well above the two-third margin needed for final General Assembly approval.

But if the blunt Soviet objections expressed by Russia today were an accurate gauge of the attitude of the Chinese Communists and North Koreans, the resolution was doomed to fail in its purpose.

The Soviet delegate, Jacob Malik, told the Committee that the proposal was fashioned to "save the skins" of the Anglo-American troops and provide a breathing spell "to prepare new attacks."

Mr Malik did make one concession at the end of the day's debate when he formally announced that Russia's counter-resolution calling for the withdrawal of "all foreign troops" from Korea definitely included Chinese Communist "volunteers."—Unitel Press.

RUSSIA OPPOSES

Lake Success, Dec. 13.

Russia will oppose the 13-nation Korea cease-fire proposals, her delegate, Mr Jacob Malik, told the United Nations General Assembly's Political Committee today.

Mr Malik had earlier accused Britain and the United States of "hypocritically" supporting the Korean truce bid in order to give themselves a breathing spell before further military action.

Speaking in the Committee, Mr Malik declared that the two Western Powers were interested only in the strictly limited objective of a cease-fire and not in the settlement of "other political objectives."

Mr Malik reiterated the Soviet demand that United Nations forces should be withdrawn from Korea.

Only on that basis, he declared, would it be possible seriously to think and talk about the possibility of a peace settlement.

While the forces were still in Korea, "no settlement is possible."

IN DEBATE

Mr Malik was speaking in the resumed debate by the Committee on the proposal by 13 Asian and Middle Eastern countries, headed by India, that a committee of three, including the President of the General Assembly, Mr Nasrollah Entezam (Persia) be set up to try to arrange a cease-fire.

Mr Malik declared, "Bearing in mind the stand of the United States and United Kingdom Governments and the stage which the Korean question has reached, the proposal for a cease-fire is hypocritical camouflage intended to obtain a breathing spell for further military action to get their broken ranks in order again and then continue armed intervention."

"I do not wish this to be construed as claiming that these are the intentions of the authors of the draft resolution. The authors, I am sure, have good intentions but one cannot fail to draw the conclusion that the road to hell is paved with good intentions."—Reuter.

INDIA'S FAILURE

Washington, Dec. 13.

Diplomatic authorities said today that the Indian Government had failed in its attempts to persuade the United States to agree to Communist China's demands for political concessions in return for a peaceful settlement in Korea.

These sources said Madame Jayalakshmi Pandit, the Indian Ambassador to the United States who visited the Secretary of State, Dean Acheson, on Tuesday, urged the United States to consider favourably the Chinese Communist proposal that a cease-fire in Korea and subsequent peace negotiations be based on willingness of all powers to discuss the disposition of the island of Formosa, the last stronghold of the Chinese Nationalist regime of Chiang Kai-shek.

Madame Pandit spent 30 minutes with Mr Acheson, after which she grimly replied "No comment" to all questions asked by reporters.

However, other diplomatic quarters said Mr Acheson made it clear to her that the United States would agree to a cease-fire in Korea only on the basis that this did not imply any acceptance of Peking's political conditions.—United Press.

FREE KOREA ESSENTIAL

New York, Dec. 13.

A Times editorial commenting on the second resolution before the United Nations regarding the Far East (proposing a seven-nation commission to work out a peaceful settlement of existing issues on the Far East) said today:

"No settlement can be in accordance with the purposes and principles of the United Nations unless it leads to the establishment of a free, united and independent Korea. Yet the proponents of the second resolution are not only willing to go along with the Chinese Communist demands for coupling Korea with other Far Eastern issues, thereby making it a pawn for barter, they would also place on the commission a majority of those powers favouring most other Chinese Communist demands including recognition, a seat in the United Nations and surrender of Formosa."

"That would be yielding to extortion at the point of a gun. It would not only reward the Chinese Communists for their aggression. It would also make a mockery of the first peace enforcement action of the United Nations and thus open the doors to further Communist aggression elsewhere."

"That is not the purpose for which the United Nations was created and in the interest of its own survival it must be hoped that the Assembly will turn thumbs down on any such proposals."—United Press.

Compulsory Training In Hungary

Budapest, Dec. 13.

Hungarian university students will undergo compulsory military training and specialised military courses qualifying them as army specialists, from the beginning of February, according to an official Government announcement today.

The training will be part of the university curriculum and not regular military service. The students will, however, have to have six months' basic army training.

The announcement said that the training was "to ensure the officer requirements of the People's Army."

It is compulsory for all male students, as well as for women medical students.—Reuter.

Duchess Of Kent's Birthday

London, Dec. 13.

The Duchess of Kent, who is 44 today, celebrated her birthday quietly at her home in Buckinghamshire with her son, Prince Michael. She has received many telegrams and cables of good wishes.—Reuter.



British women actress, writers and others are taking part in the 200 Years of Fashion Display which was seen by the Queen at the New Theatre, in London. The show was organised to raise funds for a Museum of Costume to be called "A Vista of Fashion Through 200 Years" for the Festival of Britain. Here are Peter Gray in Royal Horse Guards uniform of 1860 and Morea Hastings in an 1860 dress escorting little Merlin Holland (grandson of Oscar Wilde) at the rehearsal.

De Lattre Leaving For Indo-China

Paris, Dec. 13.

General Jean de Lattre de Tassigny, the recently appointed French civil and military chief in Indo-China, will leave for Indo-China on Friday with M. Jean Letourneau, the Minister for the Associated States of Indo-China (Vietnam, Cambodia and Laos).

M. Letourneau will remain only a few days.

The Cabinet has appointed General Jean Etienne Valluy, Inspector-General of the Colonial Forces, to be a permanent adviser to General de Lattre de Tassigny.

M. Leon Pignon, the retiring French High Commissioner in Indo-China, arrived today at Hanoi, the capital of the threatened Tonkin Delta, on a last visit before handing over to General de Lattre de Tassigny and returning to France.—Reuter.

Communist Danger In Middle East

London, Dec. 13.

Dr Georgius Hakim, the Catholic Archbishop of Galilee, said here today that there was a very great danger of Communism breeding in the Arab countries.

He told a Press conference that thousands of destitute refugees still existed in the Lebanon and Israel, who felt that they had been unjustly treated.

The longer they remained in this plight, the greater would the Communist danger become.

Dr Hakim, who is the founder of the Holy Land Arab Refugee Fund, added that although Communism was officially banned in Arab States, an underground movement there was being supported by Israeli Communists. He is on a four-day visit.—Reuter.

NANCY

Swell Idea

By Ernie Bushmiller



AUSTRIA BEATS SCOTLAND BY ONE GOAL TO NIL AT HAMPDEN PARK

Glasgow, Dec. 13.

Austria maintained her unbeaten record against Scotland when she won the international soccer match at Hampden Park here this afternoon by one goal to nil.

The goal was scored by the outside right, Melchior, after 26 minutes of the first half. Brilliant goalkeeping by Zemmann was mainly responsible for Austria hanging on to her lead. He brought off some wonderful saves when Scotland pressed hard for the equaliser in the second half.

When the final whistle went he was carried off shoulder high by his enthusiastic supporters.

The Austrians mastered the prevailing conditions quicker than the Scots, but only a stout defence and some below form play by the Scot forward line brought them through safely.

Austria have now won two of the four meetings between the two countries. The other matches were drawn.

Early this morning it was feared that the match might be cancelled owing to frost and fog, but two hours before the kick-off the fog had cleared.

The recent frost made footing difficult but the conditions were all in favour of the Scots.

68,000 SPECTATORS

Sixty-eight thousand spectators attended the match, in which Young, Evans and Woodburn were the best players for the Scots and Zemmann, Hanappi, Ocziw, Decker and Bernhardt were outstanding for Austria.

Austria were soon on the attack and within two minutes Aurednik, the outside-left, from close in, caught Cowan at the wrong side of his goal, but the Scottish right-back, Young, nipped in to clear.

Then Scotland's left wing, Steel, and Liddell combined well to get near the Austrian goal, but Ocziw, the centre-half, headed away.

Defences on both sides dominated the play in the early stages.

The Austrians showed clever passing despite the tricky ground conditions.

In an Austrian raid the outside-right, Melchior, shot wide but then made amends by scoring in the 26th minute after a pass from his centre.

Scotland escaped when Woodburn handled a ball just outside the penalty area. The free kick was saved by Cowan.

The game livened as the players began to master the conditions and Scotland secured a measure of ascendancy.

Zemmann saved brilliantly under the bar when Turnbull headed a cross from Steel. The goalkeeper saved in similar circumstances from McPhail at point-blank range later.

The play quickly went from end to end. Cowan saved from Aurednik and then the Austrian goalkeeper held a high ball from McPhail. An acrobatic leap by Zemmann denied Scotland a goal when Steel shot fiercely.

A free kick in front of the Austrian goal caused some bother, but the danger was cleared. On one occasion Zemmann managed to clear with his feet. The ball struck the

onrushing McPhail, but went outside the post.

Scotland went all out for the equaliser but Zemmann held them out with some fine saves. Liddell hit the bar with a corner kick after Turnbull had almost scored.—Reuter.

No Changes Likely In Australian Test Team

Adelaide, Dec. 13.

Australia's team for the second Test cricket match was chosen tonight but will not be announced until tomorrow.

The names of the players picked by the selectors—Sir Donald Bradman, Mr J. Ryder and Mr E. A. Dwyer—must first be submitted to the 13 members of the Australian Board of Control for approval.

The match begins in Melbourne on December 22. It is generally expected that the team will show little, if any, change from that which beat England in the rain-spoiled opening Test at Brisbane.—Reuter.

NO GIANT-KILLING



The Lanelly goalkeeper, Annetts, dives out to punch the ball away from his goal in the FA Cup match against Bristol Rovers on the snow-covered Cardiff City pitch. The Rovers won 3-1.

Tommy Farr Reaches The End Of The Comeback Road

By ARCHIE QUICK

Although he says he intends to carry on, Tommy Farr reached the end of the road so far as heavyweight championships are concerned when he was beaten on points by a cruiserweight, American negro Lloyd Marshall.

When the Welshman started his come-back, while conceding him experience and gameness, I expressed doubt at the ability of his legs to carry him more than four or five rounds and queried whether he might not have lost judgment of distance.

The story of the Carmarthen fight is just that. Farr showed all the pluck in the world to last ten rounds against one of the cagiest fighters in the world, but after five rounds his strength had gone and he took heavy punishment. His 37 years of age and his eleven years' lay-off took their inevitable toll.

Although Farr remains optimistic and talks of a fight on December 22 at Porlith in his native Glamorgan, he can no longer be counted a heavyweight championship contender. To be cruel to be kind, I am bound to say that is a good thing for British boxing. Gardner, not Farr, will lead the British challenge for world honours.

Which brings me to the case of Gardner. He is our champion I know, but he has a thorny path ahead. It is going to be most difficult to prevent his being over-matched. Jack is but a baby in years and experience and he must not yet be pitted against the top-class American heavies if he is not to be prematurely "killed."

But he has been nominated to fight European Champion Jo Weiden, of Austria, and if he wins, as he should, that automatically puts him up into the near-Ezzard Charles class, with all the top-notch United States men as his potential opponents. I say most emphatically that this must not happen.

OVER-MATCHING

Over-matching recently caused promising Jeff Tate, of Northamptonshire, to take an unnecessary and damaging beating from Frenchman Charles Humez. The latest instance was at Empress Hall, London, when Ron Cooper, of Poplar, lightweight prospect, was thrown in with unceremonious, experienced ex-champion Al Phillips, and was knocked out by the "Aldgate Tiger" in four rounds. They did the same thing with Cliff Curvis two years ago. He has never been the same since.

Cooper was amateur champion in 1948 and still is basically an amateur with a stylish upright stance, a boxing brain and a good left hand. Nothing more, it was clay in the potter's hands.

Scottish Cup Draw

London, Dec. 13.

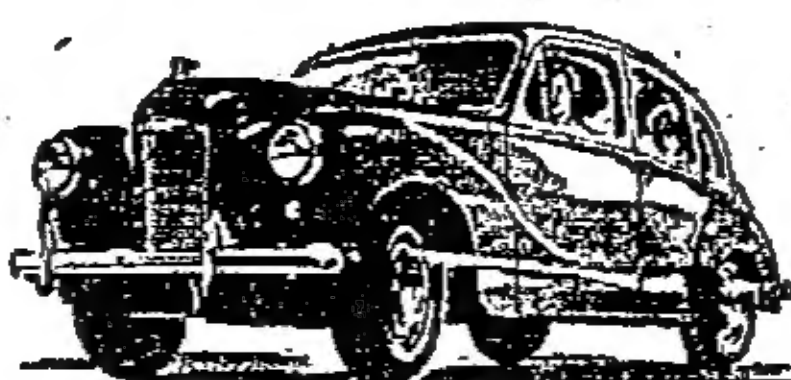
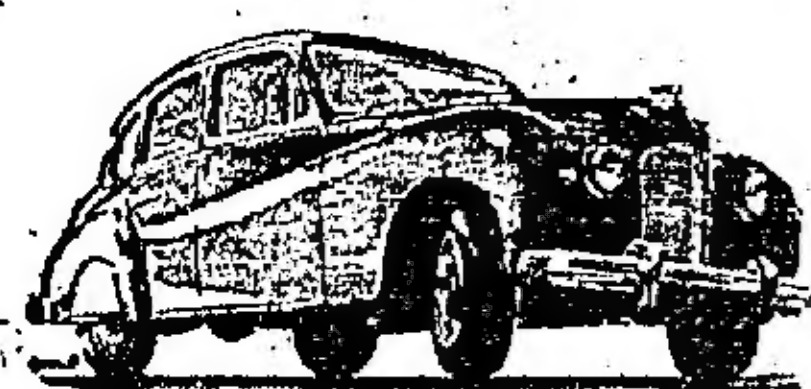
The Scottish Cup, first round, draw made today resulted as follows:

Dunfermline Athletic v. Clyde.
Dumbarton v. St Johnston.
Peterhead v. Motherwell.
East Stirling v. Kilmarnock.
Hamilton Academicals v. Elgin City.
Albion Rovers v. Stenhousemuir.
St Mirren v. Hibernian.
Rangers v. Queen of the South.
Brechin City v. Berwick Rangers.
Dundee v. Dundee United.
Stirling Albion v. Ayr United.
Third Lanark v. Forfar Athletic.

Queen's Park v. Arbroath.
East Fife v. Celtic.
Morton v. Cowdenbeath.
Partick Thistle v. Raith Rovers.

Falkirk v. Airdrieonians.
Duns v. Forres Mechanics.
Aberdeen v. Inverness Caley.
Alloa Athletic v. Hearts.

Ties are to be played on January 27, 1951, with replays on or before the following Saturday.—Reuter.



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the night of

SATURDAY

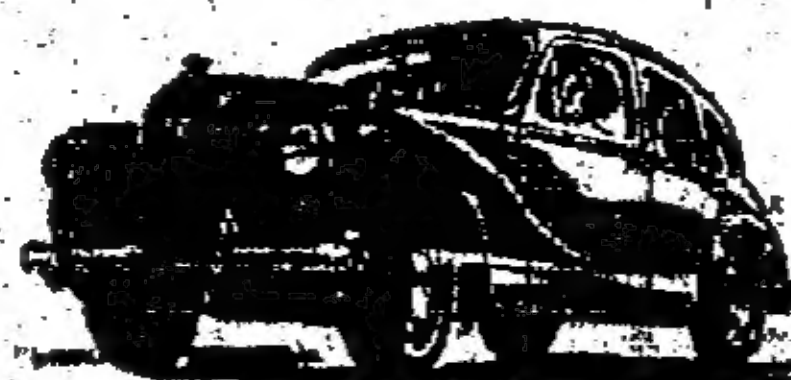
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The Churchill Story; 3rd Instalment WINSTON AMBUSHED IN INDIA

By Colin Frame

FROM the moment of his birth Winston Churchill showed all the signs of being a young man in a hurry.

It is said that as his ship sailed for India he looked toward the horizon in gleeful anticipation of further adventure, and said: "We Churchills peg out early—I must make sure of my innings."

Only the early breakdown and death of his father at the age of 45 would appear to be the evidence on which he based that belief.

But it is certain that he held it firmly in his young days and that accounted in part for his reputation for pushfulness.

He had a lot to do and, he believed, not long in which to do it.

Injured Shoulder

AT any rate he landed in India still in a hurry. He was so keen to leave the skiff and step on shore that he wrenched his shoulder on an iron ring in the jetty and handicapped himself for life.

Ever afterwards his shoulder became dislocated at unexpected moments and he still has to think ahead before using his right arm.

He was a brilliant polo player, but probably his finest game was played with his striking arm strapped to his side.

Something of the Churchill attitude to pain can be gauged from the fact that he invented for himself a system to reset the shoulder when it agonisingly slipped out.

He dangled his useless arm over a gate or some such handy operating table and pulled the joint back into position.

Yet, since he has rarely had ill-luck from which he has not profited, people may like to conjecture whether Churchill would be alive today had he not been so eager to see Bombay 55 years ago.

Twice—in the Malakand Field Force and again in the charge of the Lanciers, at Omdurman—the dislocated shoulder led him to use a pistol rather than fight closely with the sword.

Played Polo

CHURCHILL himself looking back on those battles, thinks the end of the story might easily have been different for him, but for that uncertain shoulder.

"Life is a whole and luck is a whole," he wrote commenting on it, in "My Early Life," "and no part of them can be separated from the rest."

For three years Second Lieutenant Winston Churchill (pay 14s a day, supplemented with an allowance from home of £500 a year) enjoyed the polo-playing life of a cavalry officer in India.

And during that time, by all accounts, he began to do the very thing that Ascut, Brighton and Harrow had failed to do for him—not for want of trying. He began to become an educated man.

He was almost 23 when a sincere thirst for knowledge came upon him. For four or five hours a day he settled down to read history, philosophy and economics. His mother sent him the books each month.

JEST A MINUTE!

By GEOFFREY EVANS



"One little lot of these 'Invisible' experts that's talking about in the papers these days, eh?"

He read Gibbon because people told him Lord Randolph Churchill had read Gibbon with delight; he read Macaulay.

Half a century later the defiant phrases that rolled round the world, and rallied an Empire to fight for its life could be traced to those evenings in India.

There Churchill lay on his bed in a pink-and-white bungalow and read and recited Gibbon and Macaulay.

"It was a curious education," he has recalled. "First because I approached it with an empty, hungry mind and with fairly strong jaws; and what I got I bit; secondly because I had no one to tell me. 'This is discredited.'"

Wanted Action

WINSTON CHURCHILL is in truth a self-educated man—and the decades since those far-off happy days in India tend to show that he did not make a bad job of his studies in between chukkas of polo.

But Cuba had not cured him of his desire for action—the whining bullet and the sword flashing in the sunlight.

Although his regiment was never committed, Churchill broke away to take part in two campaigns on the rugged North-West Frontier.

The string-pulling, the unabashed approach to influential people who could grant him postings into action would make a story in themselves.

Chief of his aides was his mother, "In my interest, she left no wire unpulled, no stone unturned, no outlet uncooked," is how he puts it.

People have made a habit of pooh-poohing the sort of military actions these frontier expeditions were.

War In The Hills

BUT it is worth remembering that the Malakand Field Force, Churchill's first action with British troops under his friend Sir Bindon Blood, consisted of three brigades—nearly three times as many men in fact, as Britain now has in Korea.

And the Tirah Expedition which followed was fought by 35,000 soldiers of the Queen.

So, usually in the company of Bengal Lanciers, Churchill rode through the ravines and cornfields of the wild, unpeopled frontier country with the aim of punishing Pathan tribesmen.

These tribesmen took to the hills and it was on one of these that the young subaltern nearly wrote Finis to his life story.

He had climbed it with a company of Sikhs. He explains: "Like most young fools I was looking for trouble and only hoped that something exciting would happen. It did."

Suddenly down the mountain-side, flashing swords and firing rifles, came the tribesmen.

He snatched a rifle from a Sikh and began to shoot back while the rifleless man handed him the cartridges.

Adjutant Shot

THEN came an order to withdraw. Rather than let any spare ammunition fall to the tribesmen, Churchill picked up cartridges near him and handed them one by one back to the Sikh.

This methodical action probably saved his life. Of the first men who got up to withdraw two were killed outright and three were wounded.

Churchill and the rest helped to drag the wounded down the hill.

As they joined the main party the adjutant was shot. Four soldiers carried him.

But six Pathan swordsmen leapt down the hillside, the soldiers dropped the adjutant and ran, and the leading tribesman hacked him to pieces.

Churchill saw this. He was, by all accounts, boiling mad. He turned to settle the score.

"I forgot everything else at this moment except a desire to kill this man," he wrote.

First he decided to have at him in personal combat with his sword, fortified by his public school fencing prowess.

But—did he remember that dislocated shoulder?—he changed his mind, and probably the course of his life.

He drew his pistol—and was disconcerted to find that he had to fire three times before the Pathan went down behind a rock.

When he turned away again Churchill found himself alone. He raced safely through rifle fire to the lower slopes of the hill where the Sikhs were drawn up two deep for a last stand.

Order In Writing

HIS Colonel ordered him to fetch the Buffs (East Kent Regiment), who were not far away. "Go and tell them to hurry or we shall all be wiped out," he said.

Churchill did not move. He has since admitted that in a flash he foresaw himself arriving breathless as the sole survivor, with all the miserable implications of desertion.

"I must have that order in writing, sir," he said coolly.

Before the order had been scribbled out the Buffs had arrived.

After the excitement of the Malakand affair Churchill was doomed to disappointment in his second attempt to get into action. The Tirah Expedition, a similar affray which followed, petered out. The tribesmen were pacified.

Hints To Generals

THERE followed "a lasting peace, the wisdom of which as a budding politician," writes Churchill, "I was forced to approve."

But he felt cheated. Recompense arrived in the success of articles on the Malakand campaign.

He incorporated them in a book—"The Story of the Malakand Field Force"—which not only received wide public recognition, but also the approval of the Prince of Wales, who sent Churchill a pleasant note about it.

Not everyone was complimentary. Young Churchill made the book an occasion to hurl a few darts at his superiors.

Someone renamed it "A subaltern's hints to generals." It made him enemies among the military commanders.

Although blooded—he was mentioned in despatches for his part in the fighting—he was still a young pushful and intrepid subaltern.

STANDARD BRIDGE

By M. Harrison-Gray

Dealer: North

Love all.

N.

♠ J 3

♦ K 9 7

♥ A Q 9 6 4

♣ A 10 3

W

♠ Q 8 6 4 2

♦ Q 8 5

♥ 7 3 2

♣ K 6

E.

♠ K 7 5

♦ 10 6

♥ K 10 5

♣ Q J 7 5 2

S.

♠ A 10 9

♦ A J 4 3 2

♥ J 8

♣ 9 8 4

England gained points on this hand from the 1939 match against Scotland. In both rooms North bid One Diamond, South One Heart and North Two Hearts. The Scottish South jumped to Four Hearts and was set two tricks after West had found the inspired opening lead of ♠K.

The English South made the more subtle rebid of Three Clubs, prepared to play the Hand in Three Hearts if North had to sign off. With the fit in Clubs, however, North was able to bid Four Hearts. The psychic trial bid worked to the extent of inhibiting a Club attack until too late. West led ♠4 and South declined the Heart finesse, running ♠J after cashing ♥K and ♠A and thus making 10 tricks. In this instance the trial bid was made by responder.

London Express Service.



"Well, it's all fixed, darling. We're dining at the captain's table."

FOR THE BUSINESSMAN

Britain Now Back On Her Own Feet

London, Dec. 13.

Britain's victory in her battle for economic independence was announced today by the Chancellor of the Exchequer, Mr Hugh Gaitskell, who told the House of Commons that from January 1, Britain will take no more Marshall aid from America.

Britain will thus become the first of Europe's 18 Marshall aid countries to get back squarely on her own feet a year and seven months earlier than expected.

The news was announced in a joint Anglo-United States statement read by Mr Gaitskell. It came almost simultaneously with a Board of Trade announcement that the nation's export trade broke all-time records last month by reaching a provisional figure of £211,900,000.

Mr Gaitskell's announcement to Parliament said that Marshall aid to Britain would be suspended at the end of the year.

He made it clear that the use of this phraseology was a safeguard in case changed circumstances forced Britain once again to fall back on American help.

He warned that suspension of aid does not mean that recovery of the British economy is complete or that the financial resources of the Sterling Area are adequate.

DIFFICULTIES AHEAD

The increased defence programme and the impact of higher raw material prices were certain to mean new difficulties in 1951 for the nation's economy.

He gave two reasons for suspension of Marshall aid. One was Britain's economic recovery and the disappearance of her dollar deficit and the other was the strain the new United States defence programme had put on American economy.

The decision to suspend Marshall aid was reached at talks recently between Mr Gaitskell and Mr William E. Batt, the aid administrator in Britain.—Reuter.

Credit Approved For Germany

Paris, Dec. 13.

The Governing Council of the European Marshall Aid Plan Organisation, meeting here today, gave final approval to a US\$120 million credit to Germany to overcome temporary difficulties in her balance of payments.

The Organisation on November 14 approved the credit subject to the acceptance of measures proposed by the German Government to readjust its balance of payments.—Reuter.

Late Rally In Chicago Markets

Chicago, Dec. 13.

Late rallies carried the grain market to a firm close, although nervousness prevailed through most of the day's dealings. Corn was the only cereal grain to fail to show strength at the close.

Wheat futures closed 3/8 to 7/8 higher, corn was 1/4 to 5/8 lower, oats were 5/8 higher to 1/4 lower, rye 1-1/4 to 1-1/2 higher and soybeans 3/4 higher to 3/8 lower.

Prices closed today as follows:—

Wheat—price per bushel	
Spot	2.37
December	2.35-3/4
March (1951)	2.40-1/2-5/8
May	2.38-5/8-3/4
July	2.33
Corn	
Spot	1.72
December	1.66-1/2-5/8
March (1951)	1.67-1/2
May	1.67-3/8-3/4
July	1.67-3/4
Rye	
December	1.53-1/2 bid
May (1951)	1.60-3/4-1.61
Oats	
December	96-3/4
March (1951)	96-5/8
NEW YORK FLOUR—per 200 lb. sack	\$12.00

—United Press.

Steadiness In London Tin

London, Dec. 13.

The tin market was steady this morning. Turnover was 65 tons.

Prices closed today at the end of the official morning session as follows:—

Spot tin, buyers	1,130
Spot tin, sellers	1,150
Three-months tin, buyers	985
Three-months tin, sellers	990
Business done at	990
Settlement	1,140

—United Press.

New York Metals

New York, Dec. 13.

Prices in the metal market here closed today unchanged with the following exceptions:—Tin, Grade A (99.80 percent or higher) New York, per lb. 139.50.—United Press.

SUSPENSION OF MARSHALL AID

Controls In Imports Costing Dollars To Be Tightened

New Burdens Certain To Fall On British Economy

London, Dec. 13.

Mr Hugh Gaitskell, the Chancellor of the Exchequer, told the House of Commons tonight that the suspension of Marshall Aid to Britain as from January 1, 1951, will not prevent Britain playing her part in building up the defences of Western Europe.

He said that the disappearance of the dollar deficit—coming early in the third year of a four-year programme—was a source of profound satisfaction to both Britain and the United States.

Mr Gaitskell had earlier announced to the House the suspension of Marshall Aid to Britain as from the beginning of next year. He qualified this by saying, however, that Marshall Aid to Britain would not be completely stopped.

The Chancellor explained that Britain's economic progress, and the strain on the American economy through the defence programme were the reasons for the step.

The use of the word "suspended" means that should some unexpected emergency arise, the position could be reconsidered and Britain might be able to fall back again on more aid.

Mr Gaitskell said that aside from the safe balance of Britain's dollar deficit, there is another reason for doing without assistance—the new United States defence programme had put a greater strain on the American economy.

CONDITIONAL AID

Mr Gaitskell told Parliament that the total of allotments of aid to Britain for the six months ended December 31, 1950, would remain at \$175,000,000.

Of this, \$150,000,000 represented conditional aid matching equal sterling grants made by Britain to other countries in the Organisation for European Economic Co-operation through the European Payment Union.

Mr Gaitskell added: "The United Kingdom will continue to draw upon these and previous allotments of aid until they are exhausted. Goods and services so financed will, therefore, be reaching Britain for some months to come."

By the end of this year Britain will have received a total of \$2,694,300,000 from the United States since Marshall Aid began in April, 1948.

Mr Gaitskell said that certain Economic Co-operation Administration (ECA) programmes, particularly those fostering overseas development, for the production of scarce materials, and for the interchange of technical knowledge to encourage higher productivity, would be maintained.

Britain would continue to be eligible for assistance under these programmes and the ECA agreements between Britain and the United States would remain in force for the time being.

WARNING NOTE

The Chancellor sounded one warning note. He said: "The suspension of aid, under the European Recovery Programme does not mean that the recovery of the British economy is complete or that the financial resources of the sterling area are adequate."

"Both Governments recognise that part of the improvement in the position of the sterling area is due to external factors which may well be temporary."

"Furthermore, new difficulties and burdens are certain to fall upon the British economy and balance of payments in 1951 as a result of the increased defence programme and the impact of higher raw material prices and prospective shortages."

"This understanding, therefore, provides for the suspension and not the termination of ERP

Aid and for reconsideration, if necessary."

"Nevertheless, the extent of the recovery already achieved demonstrates alike the immense value of the European Recovery Programme and the success of the efforts of the British people to meet and overcome the grave problems which they have had to face."

NOT AFFECTED

Replying to Mr Eden, who asked about the position on raw materials from the American continent, Mr Gaitskell said the difficulty with raw materials would not arise now from any scarcity of dollars and would not be affected by the decision.

It was a problem of physical scarcities on which discussion took place in Washington.

At a press conference later, Mr Gaitskell said that he did not expect Britain would make any direct cuts in dollar imports as a result of the change.

Britain would begin to repay the interest on the loan element of Marshall Aid in 1952, and the principal in 1955.

(Thirteen percent of the total Marshall Aid was in repayable loans, the remaining 87 percent being in outright grants.)

Mr William L. Batt, the American Minister in charge of the Economic Co-operation Administration to Britain, expressed satisfaction. "A healthy Europe means a healthy America and an unhealthy Europe means an unhealthy America," he said.

Mr Batt declined to say if there were plans for reducing Marshall Aid to other countries.

CONTROLS TIGHTER

The ending of Marshall Aid is not expected to have any apparent effect in the pockets of the ordinary Briton. But it does mean that the nation will have to watch its dollar expenditure even more carefully than hitherto.

Controls in imports costing dollars will be tightened up.

Britain will remain a full member of the Organisation for European Economic Co-operation, the body responsible for the practical working of the Marshall Aid.—Reuter.

Resolution On Jerusalem

Lake Success, Dec. 13.

The United Nations General Assembly's ad hoc Committee on Wednesday upheld the year-old principle of the internationalisation of Jerusalem.

This was accomplished by passage of the Belgian resolution appointing a negotiations committee for Jerusalem without prejudice to the 1949 decision which places the Holy City under an international regime.—United Press.

BIG THREE OFFER TO MOSCOW

Paris, Dec. 13.

The Western Powers' replies to the recent Soviet note proposing a four-power conference, will suggest diplomatic contacts to draw up an agenda for the talks, but will not accept the Prague decisions as a basis for them, a French Foreign Office spokesman said today.

A conference in Prague of the representatives of the Soviet Union and the Eastern European democracies proposed an "All-German Constituent Council" and called for a declaration by the Great Powers that they would not permit the remilitarisation of Germany.

The spokesman said that the British, French and American replies to the Russian note would be sent at the end of this week or the beginning of the next. He added that the reply would not stipulate conditions for the talks.—Reuter.

Explosion Shakes Atom Centre

Pembroke, Canada, Dec. 13.

A violent explosion shook the nearby Deep River atomic research centre today, killing one man and injuring four others. An employee, S. Whelan, 24, of Pembroke, was killed.

The four injured were identified as James Harrington of Cobden, Ontario, Charles Weary of Beachburg, Ontario, and Hugh Goddard and Roy Brazeau, both of Pembroke. Security officials refused to release an estimate of the damage caused by the mysterious explosion.

An immediate investigation was ordered. Deep River is 32 miles from Pembroke. The explosion was the first major mishap reported in Canada's atomic development operations. The Deep River centre is operated in conjunction with the huge Chalk River plant, Canada's major research testing grounds.

Officials emphasised that the blast was not an atomic explosion.—United Press.

Vietminh Steps Up Activity

Hanoi, Dec. 13.

The French Army reported today that Vietminh forces had stepped up their activities in the past 24 hours in the rich rice-producing province of Tonkin, in Northern Indo-China.

An official announcement said that they had attacked two Army posts, ambushed the Vietnamese patrols and harassed two villages.

A French spokesman said that five Vietnamese civil



Betty will not be drying her hair this fashion for long because her new role in a film requires a crisp bobbing. It is not likely to spoil her attractions.

Second Girl Friend In Polish Case

London, Dec. 13.

Another Polish girl, brought from prison today, told a Warsaw Court of her contact with Group Captain Claude Henry Turner, former British Air Attache in Warsaw, according to a press despatch received in London today.

Turner is charged with inciting a red-haired Polish girl called Barbara Borbrowska, aged 29, to leave Poland illegally.

Kirena Fendelsen, formerly employed in the American Military Attache's Office, came to Court to say that she had received a sentence of 10 years' imprisonment through her contact with Turner.

"I hope this will be a warning to other Poles not to have contact with foreigners," she added.

Kirena declared that she met Turner through a friend working at the American Embassy. Miss Fendelsen said: "Turner took advantage of me. I now have the satisfaction of seeing him here. Because I was unaware of the danger of being in contact with Turner, I have received 10 years' imprisonment."

Turner pleaded guilty when the trial opened on Saturday to inciting Barbara Borbrowska to leave Poland.

Barbara is charged with trying to leave the country.

Turner has said that Barbara and he had discussed the possibility of his divorcing his wife.

Two other Britons, Henry Upperton and Gordon Almes, are charged with abetting Turner in his attempt to smuggle Barbara out of Poland in the freighter Baltavia, of which Turner became the assistant purser after being an Air Attache.—Reuter.

guards and militia had been killed and seven wounded.

Vietminh losses in operations along the French defence perimeter around the Red River Delta were given as 25 killed and 30 taken prisoners.—Reuter.

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NOTICE

THE SEVENTEENTH ANNUAL GENERAL MEETING

of THE HONGKONG SOCIETY FOR THE PROTECTION OF CHILDREN

will be held in St. John's Cathedral Hall on

Thursday, December 14 at 5.30 p.m.

All interested in Child Welfare are cordially invited to attend.

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